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FISCAL IMPACT REPORT

SPONSOR: Madalena DATE TYPED: 03/21/03 HB HJM 73/aSRC

SHORT TITLE: Create Interim Medicaid Oversight Committee SB _____

ANALYST: Weber

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY03	FY04	FY03	FY04		
			\$100.0	Non-recurring	Unknown

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

Responses Received From
 Human Services Department
 Health Policy Commission

SUMMARY

Synopsis of SRC Amendment

The Senate Rules Committee amendment makes the following addition to House Joint Memorial 73.

1. On page 3, between lines 4 and 5, insert the following: "BE IT FURTHER RESOLVED that the legislative council be requested to appoint to the medicaid oversight committee four members of the house of representatives, four members of the senate, and no advisory or public members; and".

The key change is to omit public members from the committee.

Synopsis of Original Bill

House Joint Memorial 73 requests the creation of an Interim Medicaid Oversight Committee to work with the Human Services Department and other health care related agencies to review Medicaid program reform initiatives proposed federally and by the Medicaid Reform Committee, consider the impacts of those proposals, and develop recommendations by November 30, 2003.

Significant Issues

The Memorial finds that:

- The Legislature recognized significant increases in health care expenditures and created the Medicaid Reform Committee (MRC) during the 45th Legislature;
- The MRC identified and presented to the Legislature several program changes, studies, waiver requests and other initiatives;
- The current Administration and Legislature recognize the MRC initiatives as the beginning of needed reforms;
- The Human Services Department (HSD) is interested in following up on the MRC initiatives as it works to restructure the Medicaid program;
- Medicaid comprises a major part of the health care industry and the State is chiefly responsible to administer the Medicaid program within a federal structure;
- Medicaid continues to be one of the largest drivers of state budgets nationally and is expected to increase by 10% or more per year in the coming years;
- Federal Medicare and Medicaid reforms may have significant impact on the state;

The Memorial resolves:

- That the Legislative Council be requested to create an interim Medicaid Oversight Committee to work with HSD and other agencies to review and consider –
 1. Federal Medicaid reform proposals, providing information to the State Congressional Delegation
 2. State Administration's Medicaid reform efforts
 3. Status of initiatives proposed by the MRC
 4. Impact to health care industry

The Medicaid Oversight Committee recommendations should be presented by November 30, 2003.

FISCAL IMPLICATIONS

The previous Medicaid Reform Committee had expenses of approximately \$100,000. HJM 73 does not mention a source of funds.

MW/njw:yr